



**REQUEST FOR PORPOSAL (RFP) ADDENDUM
PURCHASING OFFICE
CITY OF AUSTIN**

RECYCLING SERVICES

RFP NO: RDR0005 ADDENDUM NO: 3 DATE OF ADDENDUM: DECEMBER 23, 2009

- 1.0 Find attached Exhibit 1, Meeting Sign-In Sheet for the Pre-Proposal Conference held on December 4, 2009.**
- 2.0 The following revisions are being made to Section 0400 Supplemental Purchase Provision, Items 4, 5 and 6:**
- 2.1 Item 4. BID/PROPOSAL/RESPONSE BOND - DELETE ENTIRE ITEM, PARAGRAPHS A & B. ITEM 4 IS REVISED TO READ: 4. N/A.**
- 2.2 Item 5. BID/PROPOSAL/RESPONSE GUARANTY - DISREGARD THE STATEMENT IN PARENTHESIS THAT READS "(Applicable to procurements that do not require a Payment and/or Performance Bond):"**
- 2.3 Item 6. PAYMENT BOND (May also include a Bid/Proposal/Response Bond/Guaranty – see paragraph 5 above) - REVISED TO READ AS FOLLOWS:**
- A. If any of the services will be subcontracted to another firm, the Contractor shall provide a Payment Bond in an amount equal to 25% of the Contract amount within 14 calendar days after notification of award. The Payment Bond serves as security for the faithful payment of all of the Contractor's obligations for subcontracts, work, and labor furnished under the Contract. The Payment Bond shall be issued by a solvent company authorized to do business in the State of Texas, and shall meet any other requirements established by law or by the City pursuant to applicable law. The Surety must obtain reinsurance for any portion of the risk that exceeds 10% of the Surety's capital and surplus. For bonds exceeding \$100,000, the Surety must also hold a certificate of authority from the U.S. Secretary of the Treasury, or have obtained reinsurance from a reinsurer that is authorized as a reinsurer in Texas and holds a certificate of authority from the U.S. Secretary of the Treasury.
- B. The Payment Bond shall remain in effect throughout the term of the Contract, and shall be renewed for each respective extension.
- 3.0 "Because the city's current recycling contract with Greenstar may affect the MRF proposals, the following is an update on that contract. The city is in the process of amending its contract for recycling services with Greenstar. The original agreement was for an initial term of two years and allowed two additional optional extensions of six months each. The amendment will fix the extensions into the initial term, providing that the initial term is now three years, and adds four optional extensions of six months each. This means that the initial term will run until September 2011. After that the city will have the option to extend in six month increments for up to four extensions. Anticipating a transition to the MRF, during the last six months of the initial term and for each extension accepted, the city is only required to deliver 50% of the material to Greenstar."**
- 4.0 The following clarifications are provided in response to questions from potential respondents submitted by the deadline of November 30, 2009, The Pre-Proposal Conference on December 4, 2009 and the extended questions deadline submitted by December 9, 2009:**
- Q1. Can the proposer tour the optional 39.6 acre parcel of land co-located at the FM 812 Landfill site and the City's transfer facility located?**

- A1. Two (2) site visits will be conducted on two separate days for the two sites. Proposers may attend either day. Please limit the amount of people participating in the tour.

Todd Lane Transfer Facility:

Date/ Time: Tuesday, Dec. 8th, 2009 at 1:00 PM; and Thursday, Dec. 10th, 2009 at 8:30 A.M.

Address: 3810 Todd Lane, Austin, TX 78744

Parking: Available in front of the Recycling Center (old MRF). Parking is always tight. If there is not enough room, parking is available in the back of the building where the old sort line is.

Assemble: In the break room until everyone shows up. Please be prompt as tour will start on time.

39.6 Acre Parcel at the FM 812 Landfill:

Date / Time: Tuesday, Dec. 8th, 2009 at 3:00 PM; and Thursday, Dec. 10th, 2009 at 10:30 A.M.

Address: 10108 FM 812, Austin, TX 78719

Parking: This is an active construction site so all visitors will have to stay in their cars during tour of the MRF site.

Assemble: Everyone should meet at the landfill administration building. City vehicles will be available to transport Proposers around the site.

- Q2. How are M/WBE's certified for this procurement? Must they be specifically certified with the City of Austin, or does the City accept certification from other jurisdictions?
- A2. Yes, firms must be certified by the City of Austin as MBEs/WBEs to perform work for City of Austin projects. The applicant has to submit a certification application to the City of Austin's MBE/WBE Procurement Program. The City of Austin does not accept other jurisdictions certifications for City of Austin projects.
- Q3. The Offer Sheet document requires the submittal of 2- CD copies of the proposal. The Proposal Preparation Instructions, page 12, item 8.B expressly prohibits electronic/digital versions. Please clarify.
- A3. The Sentence from 0600, p. 12, section 8. paragraph B. "Electronic files shall not be included as part of the proposal; compact disks and/or computer disks submitted as part of the proposal shall not be considered" is in reference to electronic items being submitted as part of the proposal itself. It does not account for submitting the requested number of copies on CD. Responsive proposals must submit the request format and number of copies as outlined on the Offer Sheet.
- Q4. In the Scope of Work, under "Floor Pricing Structure", why are UBC's tin, steel, bi-metal, and RDF to be sold and price adjusted by gross ton? For the cited commodities, are Tables 1 & 2 (pages 7 & 10) also calculated in gross tons?
- A4. Tables 1 & 2 were calculated using short tons.
- Q5. In the Scope of Work, under "Single-Stream Material Recovery Facility", section L.iv. Reserve Storage, the ability to accommodate five (5) days of incoming

single-stream material is required. This is quite extraordinary. Given the current amount of material collected by the City crews, the tipping floor must be able to accept and store 1100 tons of single-stream material. The industry standard of two (2) days reserve storage capacity for maintenance or repair is generally held as the requirement. Why does the RFP require a reserve storage capacity of five (5) days? (Scope of Work, Section L. iv.)"

- A5. The MRF Contractor shall guarantee that The City shall be able to unload all trucks daily.
- Q6. There are some slight discrepancies re: definition of what the "glass" commodity should be. On page #12 of document "RDR00050500.doc" it is listed that glass should be "furnace-ready" which normally means for re-use in container glass mills (very high quality re: contamination levels is required including possible color-sorting). On page #15 a secondary glass processing system is mentioned which should be included in the bid (previous consultant work). Please confirm that all glass (three color mix) generated by the single-stream processing system should be pulverized and sized via secondary glass processing system.
- A6. The glass should be recycled. How the Contractor chooses to separate the material is their discretion.
- Q7. The RFP does not specify the types of plastic commodities that need to be generated by the processing system. The tables in document "RDR00050500.doc" (page #7) and "RDR0005 Attachment A" (pricing schedule, page #2) list a total of 8 different types of plastics (PET, HDPE Natural, HDPE Colored, PVC, LDPE, PP, PS and "other"). In MRF's of this size (30 tons/hr) we normally see a maximum of 5 types of plastics (PET, HDPE Natural, HDPE Colored, LDPE (=film), and #3-#7's. Please confirm which plastic commodities are to be sorted/generated by the processing system.
- A7. Plastic commodities to be sorted by processing include: PET, Natural HDPE and Colored HDPE; 3-7 plastics can be baled together.
- Q8. The RFP refers to OBM for pricing for containers. OBM addresses only paper. Which index are we to use?
- A8. The City suggests using Secondary Market Pricing for containers or in the event that another index is used to make the index available to the City to verify market pricing.
- Q9. Does the City have a preference for Partnership (Public/Private) Service Solution or Private Service Solution; all other factors being equal?
- A9. At this time the City does not entertain a preference.
- Q10. Please explain how the City of Austin has handled its single stream material since October 2008. What is the current deal structure for transfer and processing of single stream recycle materials?
- A10. The City of Austin has been under contract with Greenstar to process recyclable materials. The contracted processing fees are \$90/ton for commingled and \$70/ton

for paper. The transfer cost is the actual cost of transferring and the average for the past 12 months is approximately \$18/ton.

Q11. Can you provide a copy of the current processing agreement?

A11. The current contracted processing agreement is available through an open records request.

Q12. What portion of the estimated volumes in Table 1 of Section 0500 is from collections within the City of Austin?

A12. All estimated volumes are from collections within the City of Austin.

Q13. Please indicate the source of all tonnages shown on this Table that are not directly controlled by the City of Austin – what are the source entities and how are the volumes secured?

A13. Tonnages are only City of Austin.

Q14. Does the City have agreements in place with other municipalities relative to receiving recycling?

A14. No agreements are in place.

Q15. How will disposal costs for residue produced from the SSMRF be handled?

A15. Will be based on proposal and negotiation. The City is not making any specific recommendation at this time.

Q16. Will the disposal cost be paid by the City? If not, what disposal rate will be offered to the Operator?

A16. Will be based on proposal and negotiation. The City is not making any specific recommendation at this time.

Q17. Section **0500.L.ii** the City makes no commitments to tonnage guarantees. Will the City of Austin guarantee to deliver or cause to be delivered all recycle materials within the City of Austin?

A17. The City will guarantee to deliver all recyclable materials controlled by the City.

Q18. As Implementation Schedule is a key evaluation factor (15 points), can you please provide the expected lead time for release of funding related to the Partnership (Public/Private) Service Solution?

A18. Release of funding is contingent upon securing Council's approval to execute a contract and the accepted proposal and any negotiated amounts after award.

Q19. What additional funding approval steps are required?

A19. Council will have to approve any recommendation for negotiation, award, and execution of a contract greater than \$52,000.

- Q20. What resources does the City of Austin have set aside for funding a Private/Public Option?
- A20. The City has not appropriated any funding for a Partnership solution at this time. Please see answer to question number 19 above.
- Q21. What is the date range of the estimated Waste Categorization in Table 1 of Section 0500?
- A21. Based on May 2008 Dual-Stream audit; no audit information is available based on single-stream material.
- Q22. Is this reflective of current Single Stream collections?
- A22. No.
- Q23. Please confirm that all references to “tons” are short tons (2,000 lbs) unless specified otherwise.
- A23. Yes.
- Q24. Section **0400.B. ii and iii** requires per occurrence limits at \$5,000,000. Can a vendor carry \$3,000,000 with a \$50,000,000 Umbrella?
- A24. Yes.
- Q25. Section **0500.D.iv** *City reserves the right to add or delete recycling commodities at any time during the term.....* Please verify that any such change will require a change to the contracted pricing structure prior to its implementation and will allow for process modification to accommodate any new streams in the separation process. OR
Section 0500.IV.D.iv: Indicates that the City reserves the right to add or delete recycling commodities at any time during the term of this contract. If the vendor’s input will be subordinate to the City’s authority, will the Vendor have the opportunity to adjust its pricing structure to offset possible cost increases to its sorting operations, (or lost revenues if a commodity were to be deleted)?
- A25. With the City’s commitment to the Zero Waste Plan, this is an option the City would like to be available and will be open to changes in pricing.
- Q26. Section **0500.G.iii** the City requests “detail on cost” for review and approval. What is the cost being requested?
- A26. All costs charged to the City must be verifiable through supporting documentation.
- Q27. If the cost is processing, is the City anticipating that prices bid for a processing fee are subject to monthly review and approval?
- A27. The processing fee would not be reviewed but the monthly tonnage must be verified and reconciled.

- Q28. Section **0500.H.i.** - The floor/escalator is required to be “fixed” for the length of the contract and for any extensions. Commodity contracts are entered for fixed periods of time, how can the contractor provide a “fixed” price on extension?
- A28. The floor/escalator will remain fixed but the price will not remain fixed. We are not asking for a fixed price but a fixed floor price. Our experience has been to use a fixed floor price but the escalator is a percentage of the published market price.
- Q29. The following questions apply to the Partnership (Public/Private) Service Solution: Part 1: 0050.B. proposes use of the FM 812 Landfill site. Does the LF have a gas collection system?
- A29. The landfill does have a LFG collection system, consisting of 67 wellheads, over a portion of the closed landfill cells.
- Q30. Part 2: Will the temporary storage of soil impact or impair the construction of a MRF building?
- A30. The stored soil is located on a portion of the 39.6 acre site and will have to be moved in order to use the entire site.
- Q31. Confirm that the **0500.V.E..iv** Living Wage and Employee Benefits requirements apply to this option.
- A31. The Living Wage and Employee Benefits requirements may be required depending on the awarded contract.
- Q32. Will a lease or purchase of an existing building be considered?
- A32. Yes it will be considered.
- Q33. Does the City have specific end products or markets that must be supplied?
- A33. No.
- Q34. Are there specific restrictions on the sizes/ specifications that must be produced? Does the City have restrictions on what is considered a “suitable” use?
- A34. No.
- Q35. Verify that recycling tons from non-City customers may be processed at the SSMRF.
- A35. Yes.
- Q36. **0600C.iv** What is meant by estimated purchase price for any property?
- A36. Estimated purchase price for any property required as part of the proposal. The City of Austin will consider all eligible and responsive proposals.
- Q37. Is this in the event the FM 812 Landfill site is not suitable for construction?

- A37. The FM 812 Landfill site is suitable for construction. However, the City will entertain other proposals.
- Q38. **0600C.iii.(5)b & c** - RFP requests submittal of environmental compliance record, all permit numbers, and all active permit applications. Does this request apply to operations in the state of Texas only?
- A38. Proposer should provide documentation for all U.S. operations. Section 0600C.iii.(5)b applies to both the parent company and the subsidiaries, as is required in Section 0600C.iii.(5)c.
- Q39. Does “active permit applications” include both pending and approved actions?
- A39. Active permit applications include both pending and approved applications. This requirement is in the Sustainability Plan section
- Q40. Please provide actual generation data from the beginning of the single stream program in October 2008. Please specify quantity from residential collection vs. quantity from commercial collection if possible. It appears the data in the RFP may be estimated. Data from actual tons collected would be helpful.
- A40. Commercial accounts are collected within residential routes and are not reported separately. See chart below for single-stream data from October 2008 –September 2009.

**COA Tonnage
Shipped to Greenstar
(FY08/09)**

October 08	2,941.41	<i>*not fully converted</i>
November 08	3,466.60	<i>*not fully converted</i>
December 08	4,834.30	
January 09	4,962.14	
February 09	3,981.61	
March 09	4,522.94	
April 09	4,372.50	
May 09	4,240.12	
June 09	4,486.51	
July 09	4,368.08	
August 09	4,063.33	
September 09	<u>4,348.60</u>	
YTD	50,588.14	

- Q41. Please provide the actual waste characterization study results for any studies performed after the implementation of the single stream collection program. Note #4 on Table 1 indicates that the percentages on the table were derived from the dual stream program. Because the composition of the material can change significantly with the implementation of single stream collection,

having waste characterization data measured from the single stream collected materials would be very important.

A41. No waste characterization study has been performed on the single-stream material since the program was implemented. Waste characterization studies were performed on dual-stream materials.

Q42. Section G: Payment Records, and Reporting G – iii on page 11: “Proposer must provide adequate detail on cost so that the City may review and approve.” What detail is required? I thought the City would be simply paying the cost per ton indicated as “Processing Fee” on the Table 2 multiplied by the total tons delivered in that given month. Is the City’s payment based on something other than that?

A42. The processing fee would not be reviewed but the monthly tonnage must be verified and reconciled with supporting documentation.

Q43. Section H: Floor/Escalator Pricing Structure – i. – 1 on Page 12: Which ONP #6 or #8 shall the price be based upon? OBM uses both #6 and #8.

A43. ONP #8 should be used for pricing.

Q44. Section V – Partnership Service Option. B: Site Locations Available on Page 15: “The City is proposing as options for the Proposer to include in their Proposal use of the City’s 39.6 acre parcel of land co-located at the FM 812 landfill site....and/or the City’s transfer facility located at 3810 Todd Lane.” If a proposer were to base their offer on the use of one of these sites, it would need to have basic cost information in order to complete their pricing offer for the City. Therefore, will the City be issuing a simple terms sheet outlining the basic terms and conditions under which these sites will be made available to potential proposers, including site improvements/infrastructure?

A44. The City of Austin will consider all eligible and responsive proposals.

Q45. Section V – Partnership Service Option. E: Additional Requirements – iv., #1: Living Wage on Page 16: Are all proposers obligated under this requirement or just those seeking public/private partnerships? Is \$11 per hour inclusive or exclusive of all benefits? Does this minimum wage requirement apply to temporary labor as well?

A45. The Living Wage requirement may be required depending on the awarded contract. For those seeking a public/private partnership, the Living Wage resolution applies. Currently, the minimum wage for City employees is \$11.00 per hour. The minimum wage is required for any Contractor employee directly assigned to this City Contract, unless Published Wage Rates are included in this solicitation. This is the hourly wage not including benefits. The minimum wage requirement does apply to temporary labor as well.

Q46. Section V – Partnership Service Option. E: Additional Requirements – iv., #2: Employee Benefits on Page 16: “Employees must be offered affordable health care protection...” How is “affordable” defined? Are part time employees exempt from this requirement?

- A46. Contractors must offer health insurance with optional family coverage for all Contractor employees directly assigned to this contract. Proof of the health care plan shall be provided prior to award of a Contract. In addition, an insurance certificate for Workers' Compensation Insurance Coverage must be provided if required by the solicitation. "Affordable" is defined as that typical for the industry. Part-time employees are not exempt from this requirement. Part-time employees must have the option if they want to pay for the insurance.
- Q47. Proposal Preparation Instructions and Evaluation Factors. Section 5 – Term of Contract - A - on Page 11: Given the sizable capital expenditure necessary for the successful execution of this project, the term of the contract (and resulting amortization/depreciation schedules) will have a significant impact on each proposers' pricing submittal. Is the City specifying a contract term? If not, what process will the City utilize to fairly evaluate and compare varying pricing offers based upon different contract term requirements ?
- A47. The City is not specifying a contract term. The City expects that submittals which include construction of a facility would include a longer contract term than those submittals that do not include large capital outlays. As such, the proposer is encouraged to provide one or more contract terms and indicate how the pricing would vary based on the proposed contract terms. The City will evaluate proposals that include capital construction based on the terms of the contracts and how the pricing compares between them.
- Q48. Who is currently processing the City's materials? What is the current Pricing structure and formula for this service?
- A48. Greenstar is currently processing the City's recyclable materials. The current pricing structure is 90% of the market price for paper and 75% of the market price for commingled. The contracted processing fees are \$90/tin for commingled and \$70/ton for paper.
- Q49. Would the City explain if it plans to pay by credit card as discussed in Section 9B of the supplemental purchase provisions?
- A49. For this contract the City will not utilize the credit card system for receiving revenue or processing payments to the vendor.
- Q50. Section E Part 5 of the proposal's preparation instructions ask for two references from each MRF project. Would one be sufficient?
- A50. Two references are to be provided from each MRF project.
- Q51. Should the definition of residuals be modified to include by-passed recyclable material in or recyclable material that has been damaged or contaminated during the collection process?
- A51. No.

Q52. Will the City consider lowering the threshold for load rejections from 30% due to the residual rate of 30% will negatively affect on the facility's operation?

A52. Yes, we will consider lowering the percentage.

Q53. Could the City provide more detail as to the specifications of glass processing required in Section D of the recycling services scope of work? This paragraph calls for both pulverization and the requirement to sort by size.

A53. The glass should be recycled. How the Contractor chooses to separate the material is at their discretion.

Q54. The marketing plan requires that the proposer provide copies of current marketing agreements and as such agreements change, expire or are re-negotiated these contracts are confidential and since the pricing is fixed for the life of the contract it would not seem relevant. Would the City clarify as to the necessity or relevance of the contracts?

A54. The City is requesting information on the marketing plan(s) in order to verify that the proposer has an ongoing, established relationship with a third party for the final sale/disposition of the recycled materials. The City would like to verify the selling price through supporting documentation.

Q55. Will the City make available a draft of the proposed operating contract prior to bid submission?

A55. No, we do not have a "proposed operating contract."

Q56. We understand that the City currently collects recyclables and has contracted with a third party, not located in the City of Austin, for processing. We understand that there is a transfer operation to deliver the recyclables to the processor. At what facility are the recyclables currently dropped off?

A56. At the City's recycling center located at 3810 Todd Lane.

Q57. Is it a City-owned facility?

A57. Yes.

Q58. If it is a City-owned facility, can this facility be made available to proposers during the transition period?

A58. Possibly, if the Contractor is taking the materials during the transition period.

Q59. Is an alternate city-owned facility an option during the transition period (e.g. the Todd Lane site)?

A59. Only the Todd Lane site is available.

Q60. Under the current arrangement, who is responsible for the transfer station operation currently, the City or the recyclables processor?

A60. The City.

Q61. Who pays for the transportation under the current arrangement?

A61. Transportation is paid by the City.

Q62. Scope of work, Section IV.F, Price Schedule/Revenue Sharing (pp 9-10): Bullet point (i) indicated a requirement to submit the pricing schedule in Attachment A/Table 2, but then says “OR” prior to bullet point (iii), which allows for a different pricing formula to be used. Please clarify – if a proposer chooses to provide a different formula as described in bullet point (iii), is the proposer also required to fill out the table in Attachment A/Table 2?

A62. No, if the proposer is submitting a different pricing formula.

Q63. Could the equipment at the transfer station previously used by the City for processing recyclables be available for purchase under this RFP? If not, what will happen to the MRF equipment, the building structure, scales and related MRF improvements at the City’s “transfer station”? Will the glass processing equipment be available for use by the Contractor?

A63. The scales and glass processing equipment will continue to be utilized by the City until a MRF is operational. The City still processes glass from other sources other than single-stream and will continue to use the scales as long as we are transferring material out of the MRF.

The glass processing equipment is part of our old dual-stream line and cannot be operated without some of the other existing equipment. The dual-stream line cannot be sold prior to a MRF being operational unless other options are available for the non single-stream glass that is currently being accepted.

Q64. What portion of the 39.6 acre tract at the City landfill will be used permanently for the storage of the 100,000 c.y. of soil? Can that space be used by the Contractor?

A64. The stockpile can be moved, if needed, by the MRF contractor.

Q65. Can yard waste composting be conducted on the 39.6 acre City LF tract? What is meant by no “organic material” can be processed on the 39.6 acre tract?

A65. Yes, yard waste composting can be done as long as all pertinent regulatory rules are complied with and any necessary permits are obtained. No putrescible waste will be allowed due to the hazards associated with birds and airport operations.

Q66. How will it be “verified,” and at whose expense, that no waste has been buried on the 39.6 acre City Landfill tract (Attachment E, last paragraph)?

- A66. Verification will be done at the MRF contractor's expense by whatever means they deem appropriate.
- Q67. Is the City's "transfer station" authorized to transfer municipal solid waste? If so, what is that registration or permit number, and can you provide a copy of such registration or permit?
- A67. It is not registered as a "transfer station". Under TCEQ regulations recyclables are not considered Municipal Solid Waste.
- Q68. Please provide the results of each audit done by the City or a Contractor on the single stream collected recyclables in Austin over the past two years which includes the Pilot Program Term, and please identify who conducted each audit. Note: We would like to determine the reasonableness of Table 1 found on page 7 of 9 of the Scope of Work within the RFP.
- A68. Results of audits are not available for single-stream material. Dual-stream material was audited in May of 2008. Pilot program audits are available, though it does not include all materials currently in the program.
- Q69. On page 3 of 14, (5) (b) and (c), the RFP requires the Proposer, its parent company and subsidiaries, to disclose environmental compliance history and all current permit numbers and applications issued by the City, the TCEQ and EPA. Does this requirement extend to within the Austin city limits, the State of Texas, or the complete list of company facilities in the USA?
- A69. This requirement extends to the complete list of company facilities in the USA.
- Q70. Under "Facility Capacity" on page 14 of 16, the RFP states, "No amount of tonnage is guaranteed by the City." Will the City guarantee to provide the selected contractor 100% of all recyclables collected by the City and/or City contractors? If not, what percentage can the selected contractor be assured?
- A70. Yes.
- Q71. A ground lease cost is essential in a MRF proposal, so what is the lease amount and terms on the 39.6 acre site as well as the Todd Lane facility? Will the City offer these spaces at no cost?
- A71. The Proposer may request ground lease terms. The City will consider all eligible and responsive proposals.
- Q72. Page 1 of 14 of Section 0600 Item C (i) of the proposal format states property and structure must meet or exceed site development standards of the City of Austin, including impervious coverage limitations. How is this possible, if the vendor locates the facility within another city's corporate limits or just within Travis County?
- A72. This is applicable only to facilities located within the City of Austin jurisdiction.

Q73. Semi-Annual Audit Requirement – • Please describe in detail the protocol for which contractor shall follow when conducting recyclable audits of City’s materials. Details should include, but are not limited to: a. Month(s) when audits are to be performed.

A73. Audits should be conducted in March and September.

Q74. Time frame for completing audit(s)

A74. One week to complete audits.

Q75. Amount of recyclables to be audited

A75. At a minimum, three collection trucks and three service days should be audited.

Q76. Location of Facility: Is the ten (10) mile distance from city hall mentioned in section V.B. a disqualifier? If not, how will it be dealt with in the evaluation?

A76. It is not a disqualifier but consideration needs to be given to distance because of added operational costs to the City.

Q77. Sample Contract: Could a sample agreement be provided for review?

A77. No. The City does not have a sample agreement available.

Q78. Rejected Loads: If a vendor is not allowed to reject loads above a reasonable percentage, what ability do they have to keep up the quality of program material?

A78. The City is committed to minimizing contamination in the program. The City will continue to have a strong education program to ensure this.

Q79. Bonds: According to Section five (5) of the Supplemental Purchase Provisions, all bids/proposals/responses shall be accompanied by a bid/proposal/response guaranty in an amount of \$50,000. The Section title states that a response guaranty is only applicable to procurements that do not require a Payment and/or Performance Bond, yet Section seven (7) (Performance Bond) states that a Guaranty is required with the performance bond. Sections five (5) and seven (7) conflict. Does the City require a response guaranty in the amount of \$50,000 and a bid bond to be submitted with our proposal?

A79. Please disregard the statement in 0400 5. as shown in the title in parenthesis that reads: “Applicable to procurements that do not require a Payment and/or Performance Bond.” The \$50,000 Guaranty Bond is required.

Q80. Building/Ground Maintenance: Who is responsible for HVAC, building maintenance, fire suppression system, landscaping, etc.?

A80. Depends on the type of proposal accepted.

Q81. What is the City's time frame to utilize and remove the 700,000 cubic yards of dirt currently on the FM 812 site?

A81. The closure project was scheduled to be completed by May 2010, but due to rain the schedule will most likely be extended until June or July. Further delays can be expected if bad weather continues.

Q82. What are the City's plans for the remaining 100,000 cubic yards of dirt on the FM 812 site? May, or must, the Contractor remove it?

A82. The Contractor will be responsible for moving any remaining soil from the proposed FM 812 Landfill MRF site to a new location within the Landfill area. The City will be responsible for obtaining a permit modification from TCEQ in order to relocate the soil.

Q83. What are the procedures to access the FM 812 site to conduct basic engineering analyses?

A83. Coordinate with city staff to gain access to the site.

Q84. If the FM 812 site is to comply with the impermeability standards, how much of the acreage can be developed or otherwise utilized?

A84. This information can be obtained from the City of Austin Watershed Protection Department.

Q85. Is the City also seeking a potential C&D debris recycling and/or organics composting operation on the FM 812 site as part of this Solicitation?

A85. All proposals which promote the city's goal of Zero Waste will be encouraged. Yard waste composting can be done as long as all pertinent regulatory rules are complied with and any necessary permits are obtained. No putrescible waste will be allowed due to the hazards associated with birds and airport operations.

Q86. Could the City allow such operations to occur at the FM 812 site but on property other than the 39.6 acre parcel?

A86. No.

Q87. Is the Contractor required to separate and sell glass by color?

A87. The contractor can sell glass by color or as a mix, whichever may generate more revenue. The option is up to the Contractor, the City does not want the material landfilled.

- Q88. Is the Contractor required to separate and sell plastics by all of their divisions; 1 – 7? Can this fraction, or part(s) of the fraction, be sold in a combined form to another processor or end user?
- A88. The Contractor shall sell plastics by PET, Natural HDPE and Colored HDPE; the remaining plastics #'s 3-7 may be sold in a combined form.
- Q89. Please provide more information in regard to the material generated from the office recycling programs. What is the type of material, number of routes, and current percent of contamination?
- A89. Contamination rate is about 2 to 5%. Composition of material is 85% is paper, the rest is containers. Just one route for office recycling; the possibility exists for a future route.
- Q90. Will the City assist in developing an end user for the RDF?
- A90. No, the City will not assist in developing an end user for RDF.
- Q91. Will the City allow volumes from other cities to be processed at the MRF if it is built on the FM 812 site?
- A91. The City has always considered the SSMRF to be a regional facility to encourage surrounding communities to expand their recycling programs.
- Q92. Are there any other site development issues or concerns regarding the FM 812 site that may adversely or positively impact the development time frame and/or long term operations?
- A92. Potential methane migration, airport operations, and increasing residential development in the area.
- Q93. Does the MRF construction require LEEDS certification?
- A93. Yes, per Resolution No. 20071129-045 (see attached), all new COA facilities with a construction cost of at least \$2M must achieve a minimum LEED Silver rating.
- Q94. In the Scope of Work, under “Loads Rejected”, section K.ii.(2) Average Price. How will the average be determined?
- A94. Replace all of K.ii. with the following: If recyclable material is rejected by Proposer due to contamination, the Proposer will notify the City, by phone and in writing, that load has been rejected and Proposer shall dispose of load as residual material. If, after material has been processed by the Proposer, the recyclable material is rejected at market, the Proposer will be responsible for any disposal costs and any amount not received as a result of selling the material at a lesser value than full market price.

Q95. Section 0400 14c.ii. the City may request price decreases based on “relevant factors” with a justification for the request from the City. The City may implement a decrease at any time, and if the Contractor does not agree with the decrease the City may terminate the contract.

a. What constitutes “relevant factors”?

A95a. The relevant factors are the same as those outlined in 0400 14.B i through iv. for evaluating a price increase. In paragraph 14 B i (3), the city will use Table 5 of the Producer Price Index for Material Recyclers/429930.

b. If the City terminates the contract due to a force price decrease how is the performance bond impacted?

A95b. If the City terminates the contract under Section 0400, Paragraph 14, Economic Price Adjustment, subparagraph C, ii, the performance bond is not impacted.

c. Does the City intent to apply this clause regardless of the contract option selected? Example is the Private/Public Option differentiated from the Private option?

A95c. Yes.

d. What protection and/or recourse will the proposer have if the City were to cancel the contract under this provision?

A95d. Section 0400 14.c.ii. states, in part, “Following receipt of the Contractor’s agreement with the requested decrease, the City may implement the decrease at any time. Should the Contractor not agree with the requested decrease, the City may either maintain the prices currently in effect, negotiate with the contractor, or terminate the contract.”

Should the City decide to terminate the contract, the City will pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms of the contract.

Q96. In Proposal Preparation Instructions, “Part VI – Personnel”, How does the request for information here differ from the information that is requested at C.ii.8, and Part V. E.i.?

A95. Section 0600, “1. F. Part VI – Personnel” pertains to individuals providing professional services related to the design and development of the single-stream material recovery facility. Section 0600, “1. C. ii. 8” pertains to the plan for operational staff.

Q97. Section 0500.G.iv.2.b: Will require separate processing for Residential and Commercial to provide data classification by customer. Running these two streams separately can lead to inefficiencies and increase cost. Can the City of

Austin provide guidance on the level of importance between cost efficiencies in plant operations and data collection by customer type?

A96. Delete Section 0500.G.iv.2.b in its entirety.

Q98. If a leased building is used, do sections 0500.V.E.i (building sustainable design), 0500.V.E.iii (AIPP), and 0500.V.C.iii (building appearance) apply?

A97. Sustainable design, operations and maintenance will apply. AIPP is not required but actively encouraged. Building Appearance does not apply.

Q99. Are there specific requirements/ specifications available for the intended application of 0500.V.D.i Secondary glass processing?

A98. The primary concern is that glass is recycled in some manner and not placed in the landfill.

Q100. Verify that any future facility/equipment expansion required during the term will also be funded by the City in a similar fashion and also require a negotiated change to the pricing structure of the agreement.

A99. The funding approach may change. The City is open to a negotiated change to the agreement in the event of any facility or equipment expansion requirements.

Q101. Section 0500.IV.D.iv: Indicates that the City reserves the right to add or delete recycling commodities at any time during the term of this contract. Will the vendor have any authority in this decision making process? If so, how much?

A100. The Vendor will have input, not authority. With the City's commitment to the Zero Waste Plan, this is an option the City would like to be available and will be open to changes in pricing.

Q102. Section 0500.IV.D.iv: Indicates that the City reserves the right to add or delete recycling commodities at any time during the term of this contract. What happens if the City and Vendor disagree regarding the addition or deletion of a commodity?

A101. The City understands the concerns raised by Proposers regarding the addition or deletion of recycling commodities. Before adding or deleting recycling commodities, the City will work closely with the Proposer to examine cost vs. benefit, and it is recognized that any changes made must be financially feasible. However, it is important for Proposers to understand that the City has a serious commitment to Zero Waste and changes will be made, if feasible, in support of achieving the Zero Waste goals.

Q103. Section 0500.IV.F.iii: Indicates that the City will allow proposers to suggest alternative pricing publications than those listed in the RFP. What evaluation process will the City use to compare pricing schemes based off of different published pricing indexes?

A102. Evaluators who will be examining proposals will have the responsibility of determining which proposal provides the best long-term value to the City.

Q104. Section 0500.IV.G.i: Please clarify this paragraph. It is a little confusing.

A103. Payments to the City and or invoices are due the last day of the following month based on the tonnage delivered. (Last sentence of the paragraph should be changed to “Payment to the Contractor by the City will be made within 30 days of receipt of invoice. “)

Q105. Proposer should state their exception and provide their terms?

A104. The Proposer is responsible for acknowledging any exceptions to this solicitation and providing a full explanation of the exceptions. See section 0600.2.

Q106. Section 0400.4 – 7: Bonds – Please clarify which bonds are applicable to this RFP.

A105. Refer to Item 2 above, revisions to Section 0400, Item 4, 5 and 6 for a description of bonds and guaranty required of this RFP. Also, refer to Section 0400, Item 7.

Performance bond: Written guaranty from a third party guarantor (usually a bank or an insurance company) submitted to a principal (client or customer) by a contractor on winning the bid. Performance bond ensures payment of a sum (not exceeding a stated maximum) of money in case the contractor fails in the full performance of the contract.

Bid bond: Written guaranty from a third party guarantor (usually a bank or an insurance company) submitted to a principal (client or customer) by a contractor (bidder) with a bid (in our case a proposal bond). Bid bond ensures that on acceptance of bid by the customer the contractor will proceed with the contract and will replace the bid bond with a performance-bond. Otherwise, the guarantor will pay the customer the difference between the contractor's bid and the next highest bidder. This difference is called liquidated damages which cannot exceed the amount of the bid bond.

Q107. Is the transfer station attached office space available for use under this RFP?

A106. If the transfer station is utilized during a transition period, the two offices on the tipping floor could be used. However, City staff would continue to occupy the 2nd floor offices.

Q108. Has the City solved the problem of internal combustion engine fumes leaking into offices above and adjacent to the transfer station drive through?

A107. Yes.

Q109. Are scales available and operational?

A108. Scales are operational but not available, unless it is negotiated as part of the transition plan.

Q110. The City is requesting a breakdown of expenses to operate the facility. If the facility is open to other haulers and/or cities, why is this necessary and what is the value of the info to the City?

A109. This information was incorrectly listed in Section 0500, under Part IV, General Scope of Services and Information section, beginning on page 4. This is requested as part of the Section 0500, Part V, Partnership (Public/Private) Service Option.

Q111. Schedule: What are the city's expectations of the schedule for the SSMRF to be built?

A110. The City expects to have the SSMRF operational as soon as economically and physically feasible.

Q112. Please provide information regarding the estimated cost, logistics, time frame and any difficulties that may delay the provision of necessary utilities on to the FM 812 site; specifically, electricity, water, gas and sewer access.

A111. This information can be found in the 'Final Programming Report_City of Austin SWEC_9-11-08' located on the SWS MRF website at: www.ci.austin.tx.us/sws/mrf.htm. Construction of a 36" transmission line with a 16" tee at the location of the MRF site started in October 2009 and should be completed by May 2010. See Attachment F for alignment of the water line. Wastewater improvements for the landfill are currently in the planning stages and may proceed to construction in 2010. See Attachment G for proposed alignment of wastewater line. There are no gas and electricity improvements to the landfill site. Proposer will be responsible for connecting to these utilities.

Q113. In the Scope of Work, under "Floor Pricing Structure", why are UBC's tin, steel, bi-metal, and RDF to be sold and price adjusted by gross ton?

A112. It has been the City's experience that metal markets use gross tons. Proposers may utilize short tons, but it must be made clear whether gross tons or short tons are being used in proposal. Also, it should be noted that the selling price of RDF is listed in Metric Tons, not gross tons.

Q114. For the cited commodities, are Tables 1 & 2 (pages 7 & 10) also calculated in gross tons?

A113. Tables 1 & 2 were calculated using short tons.

Q115. What are the procedures to access the FM 812 site to conduct basic engineering analyses?

A114. Coordinate all site analysis through Roy Rivers by fax to (512) 974-2388 or e-mail to: roy.rivers@ci.austin.tx.us. A geotechnical report is available on the MRF web site at: www.ci.austin.tx.us/sws/mrf.htm

Q116. How many air exchangers do we have in the building?

A115. The Recycling Center building has a total of ten (10) air handlers.

Q117. Are the air exchangers sufficient?

A116. Yes.

Q118. Is glass collected separately or just in single-stream?

A117. Mixed glass is brought in by other sources other than single-stream (Ecology Action and Downtown Glass Pilot).

Q119. As long as the pulverizer is working will the City sell any of dual-stream sort line equipment?

A118. Not as long as we are pulverizing glass since it is tied into the conveyer system. The City of Austin will consider all responsive proposals.

Q120. What are your current operating hours?

A119. Current operating hours are 6 a.m. to 7 p.m. Earlier on some days depending on volume.

Q121. How many hours did you operate the dual-stream sort line?

A120. 9 hours a day, 5 days a week. On occasions during holidays we operated on Saturday.

Q122. Request for more information in regard to the bonding requirements for this proposal. From the answers published today it seems that there is a \$50,000 Bid/Proposal/Response Guaranty bond mentioned in section 5 of the Supplemental Purchase Provisions that is required. Also, you stated at the meeting on Friday that a Performance Bond as discussed in section 7 is required. If none of the services we propose will be subcontracted to another firm, are there any other bonding requirements?

A121. Yes. This only affects the Payment Bond. It would not affect the other bonding requirements. Refer to the revised Section 0400 listed above.

Q123. Is the Bid/Proposal/Response bond mentioned in section 4 replaced by the \$50,000 Guaranty bond?

A122. Yes, see revised Section 0400.

Q124. Also, is there a City of Austin Bid Bond form that we should use?

A123. Proposers should refer to revised Section 0400 above for the acceptable types of Bid/Proposal/Response Guaranty.

Q125. Can you clarify whether the living wage is required for the private/public partnership option?

A124. The Living Wage requirement may be required depending on the awarded contract. For those seeking a public/private partnership, the Living Wage applies. The minimum wage is required for any Contractor employee directly assigned to this City Contract, unless Published Wage Rates are included in this solicitation.

Q126. CAD Drawing Request: Are CAD drawings of the FM812 Landfill and the Todd

Lane sites available? If so, would the City please provide to all proposers?

A125. No.

Q127. Does the city have an idea of a lease agreement for the FM 812 property?

A126. City of Austin will consider all responsive and eligible proposal lease agreements.

Q128. Does the COA consider the landfill to be the ideal site for a MRF?

A127. The FM 812 landfill is just a site that is being offered to Proposers as an option. All sites proposed will be considered and judged upon their impact to the community and operations.

Q129. Can a map be distributed showing the soil stockpile and how it sits in relation to the 36.9 acre site?

A128. The soil stockpile has been delineated approximately on a topographic map which will be provided as Attachment H to this Addendum.

Q130. Will Cart Maintenance group remain at landfill?

A129. Yes, at least until a Master Plan is completed for SWS and additional facilities and/or locations are determined.

Q131. Does City want the same buildings as planned in RW Beck proposal?

A130. No.

Q132. Does this RFP require a payment and performance bond?

A131. Yes. See revised Section 0400 above.

Q133. Section 4, p. 3 of the Supplemental Purchase Provisions, Section A of that subsection, it says the Offer shall be accompanied by bid bond amount not less than 5% of total offer. Does that section 0400 have a definition of "Total Offer"? What that is?

A132. See revised Section 0400, Paragraph 5 above.

Q134. Looking at the Processing Fee, Attachment A shows the price, then subtracting the processing fee for a net amount. Are we talking about bonding the net amount or the gross amount of the project? Net or Gross?

A133. Bonding would be for the net amount.

Q135. "Draft" Addendum No. 3, question on site, Soil on site: Who will move it? And, what is the timeframe for moving that, if someone other than the contractor?

A134. The Proposer will move soil from site if they intend to use the site.

Q136. Is there any preference or place the City would prefer to have the soil on the site

(FM 812) moved or is it up to the Contractor?

A135. The preference is to move the soil within the landfill site. To do that, you will require a TCEQ permit modification. Currently, the soil is partly on the City proposed MRF site (see Attachment H), but there are other areas of that landfill the soil can be moved to.

Q137. Regarding downstream purchasers of materials if it is marketed to another party what kind of guarantees would you like to see in place or what kind of ethical guidelines as to what they are doing with the material and how they are dealing with it?

A136. At this point, the City is not advocating any preference. However, the lesser the environmental impact, the better. The City wants to limit its carbon output, and its carbon footprint and yours. So, the best solution you have for that is one we will look at.

Q138. Is a solution that guarantees that kind of processing of material deemed to be more valuable than one that does not? For example, if the End User/End Purchaser can show that there is less of a carbon footprint (if it's not being dumped somewhere), is that considered a more valuable proposal?

A137. That will be up to individual evaluators. Those solutions that have better value to the community will have more points, and those proposals will be ranked higher.

Q139. Soil on site: If we choose not to use the whole site for the project, would we only have to move the soil for the part of the site that is developed?

A138. Yes, Proposer is only required to move soil within their proposed development area. The remaining soil outside of the developed area is the City of Austin's responsibility.

Q140. Is City responsible for the road from FM 812 to the site? Who is responsible for building or maintenance of that particular road?

A139. The Proposer/Contractor is responsible for building the road. The City will consider all responsive and eligible proposals for the maintenance of any roads.

Q141. What utilities are available at site (water, wastewater, power, etc.)?

A140. Construction of a 36" transmission line with a 16" tee at the location of the MRF site started in October 2009 and should be completed in May 2010. See attachment F for alignment of the water line. Wastewater improvements for the landfill are currently in the planning stages and may proceed to construction in 2010. See attachment G for proposed alignment of wastewater line. There are no gas and electricity improvements to the landfill site.

Q142. Requests City of Austin to identify lines which will be in place.

A141. See Attachment F and G for water and wastewater alignments.

Q143. Is there any expectation that COA will do further work on those lines extending to

MRF?

A142. No.

Q144. Who will be the Evaluation Team?

A143. It will be composed of City staff, along with the help of a consultant for the financial aspect.

Q145. Will the Evaluation Team be identified before the proposals are due?

A144. No.

Q146. The RFP uses the word, “may”, in regards to the living wage. Do we write proposals both ways?


A145. The City will consider all eligible and responsive proposals. At the same time, Living Wage as a community value consideration is significant. A proposal which includes living wage or more than living wage has more value to the community. The review team will consider those factors as part of the evaluation process. The City requests Proposers to delineate what they are proposing as part of their solution and that will be weighed in the criteria.

Q147. Only Entrance to land fill will be FM 812?

A146. Currently, the only entrance to the landfill is from FM 812. However, the MRF site is adjacent to FM 973.

5.0 ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

BY THE SIGNATURE affixed below, Addendum 1 is hereby incorporated into and made a part of the above referenced solicitation.

APPROVED BY: 
Roy Rivers, Buyer II
Purchasing Office

ACKNOWLEDGED BY:

BIDDER

AUTHORIZED SIGNATURE

DATE

RETURN ONE (1) COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN WITH YOUR SEALED RESPONSE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION OF YOUR SUBMITTAL.